

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.3515 Additional health maintenance services; copayments; limitation; report on increase of employer and employee numbers; "preventive health care services" defined; partial payment from government or private person.

Sec. 3515. (1) A health maintenance organization may provide additional health maintenance services or any other related health care service or treatment not required under this chapter.

(2) A health maintenance organization may have health maintenance contracts with deductibles. A health maintenance organization may have health maintenance contracts that include copayments, stated as dollar amounts for the cost of covered services, and coinsurance, stated as percentages for the cost of covered services. Coinsurance for basic health services, excluding deductibles, shall not exceed 50% of a health maintenance organization's reimbursement to an affiliated provider for providing the service to an enrollee and shall not be based on the provider's standard charge for the service. This subsection does not limit the commissioner's authority to regulate and establish fair, sound, and reasonable copayment and coinsurance limits including out of pocket maximums.

(3) By May 15, 2008, and by each May 15 after 2008, the commissioner shall make a determination as to whether the greater copayment and coinsurance levels allowed by the amendatory act that added this subsection have increased the number of employers who have contracted for health maintenance organization services and whether these levels have increased the number of enrollees receiving health maintenance organization services. In making this determination, the commissioner shall hold a public hearing by February 1, 2008, and may hold a public hearing thereafter, shall seek the advice and input from appropriate independent sources, including, but not limited to, all health maintenance organizations operating in this state and with enrollees in this state, and shall issue a report delineating specific examples of copayment and coinsurance levels in force and suggestions to increase the number of persons enrolled in health maintenance organizations.

(4) If the results of the report issued under subsection (3) are disputed or if the commissioner determines that the circumstances that the report was based on have changed, the commissioner shall issue a supplemental report to the report under subsection (3) that includes copies of the written objections disputing the commissioner's report determinations or that specifies the change of circumstances. The supplemental report shall be issued not later than December 15 immediately following the release of the report under subsection (3) that this report supplements and shall be supported by substantial evidence.

(5) All of the following shall be considered by the commissioner for purposes of subsections (3) and (4):

(a) Information and data gathered from health maintenance organizations regarding the effects of greater copayment and coinsurance levels allowed by the amendatory act that added this subsection.

(b) Information and data provided by employers who employ residents of this state.

(c) Any other information and data the commissioner considers relevant.

(6) The reports and certifications required under subsections (3) and (4) shall be forwarded to the governor, the clerk of the house of representatives, the secretary of the senate, and all members of the senate and house of representatives standing committees on insurance and health issues.

(7) A health maintenance organization shall not require contributions be made to a deductible for preventive health care services. As used in this subsection, "preventive health care services" means services designated to maintain an individual in optimum health and to prevent unnecessary injury, illness, or disability.

(8) A health maintenance organization may accept from governmental agencies and from private persons payments covering any part of the cost of health maintenance contracts.

History: Add. 2000, Act 252, Imd. Eff. June 29, 2000;—Am. 2002, Act 304, Imd. Eff. May 10, 2002;—Am. 2002, Act 621, Imd. Eff. Dec. 23, 2002;—Am. 2005, Act 306, Imd. Eff. Dec. 21, 2005.

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